



CITY COUNCIL

AGENDA REQUEST

AGENDA OF:	11-16-10	AGENDA REQUEST NO:	III-H
INITIATED BY:	ELIZABETH ROSENBAUM <i>ER</i>	RESPONSIBLE DEPARTMENT:	AVIATION
PRESENTED BY:	PHILLIP W. SAVKO	DEPARTMENT HEAD:	PHILLIP W. SAVKO <i>PHS</i>
		ADDITIONAL DEPARTMENT HEAD (S):	N/A
SUBJECT / PROCEEDING:	ANSON AIR 120 DAY EXTENSION		
EXHIBITS:	AMENDMENT NO. 1 TO THE BUSINESS HANGAR LAND LEASE		
CLEARANCES		APPROVAL	
LEGAL:	AARON DOBBS <i>TAD</i> ASSISTANT CITY ATTORNEY	EXECUTIVE DIRECTOR:	N/A
PURCHASING:	N/A	ASST. CITY MANAGER:	STEVE GRIFFITH <i>SMG</i>
BUDGET:	N/A	CITY MANAGER:	ALLEN BOGARD <i>Allen Bogard</i>
BUDGET			
EXPENDITURE REQUIRED: \$		0	
CURRENT BUDGET: \$		0	
ADDITIONAL FUNDING: \$		0	
RECOMMENDED ACTION			
Approve the 120 day extension to the Anson Air, LLC business hangar land lease.			

EXECUTIVE SUMMARY

Anson Air, LLC is a flight school operating at Sugar Land Regional Airport. They are located at 218 Terminal Lane, next to the U.S. Customs building. Anson Air has an agreement with the City of Sugar Land to construct a business hangar at the T-Hangar Complex.

Anson Air requested an extension of 120 days to secure a financing commitment for construction (Section 3 paragraph E of the original agreement) in late September. In the amendment we have extended the deadlines 120 days for securing financing, submitting general drawings, and the construction date.

The new date for Anson Air to secure financing is March 1, 2011. Construction must begin by May 1, 2011, and they will have 360 days after they begin to complete the improvements.

EXHIBITS

**AMENDMENT NO. 1
TO BUSINESS HANGAR LAND LEASE
BETWEEN THE CITY OF SUGAR LAND
AND ANSON AIR, LLC**

This Amendment No. 1 to the Business Hangar Land Lease is entered into between the **CITY OF SUGAR LAND (City)** and **ANSON AIR, LLC (Lessee)**.

Recitals

By agreement, effective July 1, 2010, the City and Lessee entered into a business hangar land lease (Lease) under which Lessee is to construct Improvements on the Leased Premises for aviation-related uses. Upon request of the Lessee, and in consideration of the additional benefits to accrue to the City, the parties seek to amend certain Lease requirements associated with the financing and construction of the Improvements.

Agreement

In consideration of the covenants of each, the City and Lessee agree as follows:

1. That Section 3, Paragraphs D and E, are amended to read as follows:

D. If Lessee is unable to secure a financing commitment acceptable to Lessee for construction of the Improvements within 210 days following City approval of this Lease, Lessee will have the right to terminate this Lease by written notice to the City within 15 days from the end of the 210 day period.

E. If Lessee is unable to secure a financing commitment for construction of the Improvements within 240 days following City approval of this Lease, the City will have the right to terminate this Lease by written notice to Lessee within 15 days from the end of the 240 day period.

2. That Section 6, Paragraphs A and C, are amended to read as follows:

A. Prior to making or constructing any Improvements on the Premises, Lessee must submit general drawings and information to the Aviation Director sufficient to show the dimensions, elevations, and layout of Improvements and the construction materials to be used. The Lessee may not receive City permits for the construction of any Improvements unless and until the Lessee's general drawings and information are approved by the Aviation Director in writing. If the Aviation Director refuses to approve Lessee's general drawings and information for the Improvements within 10 months following the Effective Date of this Lease or within 30 days of the date the

general drawings and information for the Improvements are submitted to the Aviation Director for approval, the Lessee may terminate this Lease by giving written notice to the City.

C. Lessee must begin construction of the Improvements within 300 days of the effective date of this Lease and must substantially complete construction of the Improvements within 360 days of start of construction. Lessee shall construct Improvements in a manner as not to interfere with the normal operation and use of the Airport by others. If requested by the Aviation Director, Lessee will file with the Aviation Director a complete set of as-built drawings and documents showing the actual construction costs of the Improvements within 30 days of completion of any Improvements.

3. This Amendment No. 1 to the Lease is effective when executed by both parties and shall terminate when the Contract terminates.

CITY OF SUGAR LAND

Allen Bogard, City Manager

Date:_____

Reviewed for Legal Compliance:

ANSON AIR, LLC

Title:_____

Date:_____